

SENATE BILL NO. 718

BY SENATOR MARTINY

1 AN ACT

2 To amend and reenact R.S. 42:1124.1(A)(1) and (B), 1124.2(A) and (C)(1), 1124.3(A),
3 1124.4(A)(1), (C)(3), and (F), and 1157(A)(4)(a)(ii), to enact R.S. 42:1124.2.1, and
4 to repeal R.S. 42:1124.2(G)(4), relative to financial disclosure; to require certain
5 disclosures by certain public servants; to provide for the information required to be
6 disclosed; to provide for definitions; to provide for penalties; to provide for
7 effectiveness; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 42:1124.1(A)(1) and (B), 1124.2(A) and (C)(1), 1124.4(A)(1),
10 (C)(3), and (F), and 1157(A)(4)(a)(ii) are hereby amended and reenacted and R.S.
11 42:1124.2.1 is hereby enacted to read as follows:

12 §1124.1. Penalties; required reports; failure to file; timely and accurate filing

13 A.(1) Whoever fails to file a financial statement required by this Part, except
14 for statements required by R.S. 42:1124, 1124.2, **1124.2.1**, and 1124.3, or knowingly
15 and willfully fails to timely file any such statement, or knowingly and willfully fails
16 to disclose or to accurately disclose any information required by this Part shall be
17 assessed a civil penalty pursuant to R.S. 42:1157 for each day until such statement
18 or the required accurate information is filed.

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20 B. Whoever knowingly and willfully files a false report required by this Part,

except for statements required by R.S. 42:1124, 1124.2, 1124.2.1, or 1124.3, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not less than one thousand dollars nor more than ten thousand dollars or imprisoned in parish prison for not more than six months, or both. Any prosecution under this Subsection shall be tried before a jury of six persons, all of whom must concur to render a verdict.

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§1124.2. Financial disclosure; certain elected officials; ~~voting districts of five thousand or more; state~~ members of certain boards and commissions; ethics administrator

A. Each of the following, except a person who is required to file a financial statement pursuant to R.S. 42:1124, shall annually file a financial statement as provided in this Section:

(1) Each member of the state legislature.

~~each~~ (2) Each person holding a public office who represents a voting district having a population of five thousand or more persons.

~~each~~ (3) Each member of the Board of Ethics and the ethics administrator.

~~each~~ (4) Each member of the State Board of Elementary and Secondary Education.

~~each member of a state board or commission who receives a salary or other compensation for such public service in the amount of sixteen thousand eight hundred dollars or more per year and each member of a state board or commission which has the authority to expend, disburse, or invest one million dollars or more of funds in a fiscal year, except any person who is required to file a financial statement pursuant to R.S. 42:1124, shall annually file a financial statement as provided in this Section.~~

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C. The financial statement required by this Section shall be filed on a form prescribed by the Board of Ethics and shall include the following information for the preceding calendar year:

(1) The full name and ~~residence~~ **mailing** address of the individual who is required to file.

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§1124.2.1 Financial disclosure; members of boards and commissions

A. Each of the following, except a person who is required to file a financial statement pursuant to R.S. 42:1124 or 1124.2, shall annually file a financial statement as provided in this Section:

(1) Each member and any designee of a member of a board or commission that has the authority to expend, disburse, or invest ten thousand dollars or more of funds in a fiscal year.

(2) Each member of the State Civil Service Commission.

(3) Each member of the Board of Commissioners of the Louisiana Stadium and Exposition District.

B. The financial statement required by this Section shall be filed by May fifteenth of each year during which the person holds an office included in Subsection A of this Section and by May fifteenth of the year following the termination of the holding of such office.

C. The financial statement required by this Section shall be filed on a form prescribed by the Board of Ethics and shall include the following information for the preceding calendar year:

(1) The full name and mailing address of the individual who is required to file.

(2) The full name of the individual's spouse, if any, and the spouse's occupation and principal business address.

(3) The name of the employer, job title, and a brief job description of each full-time or part-time employment position held by the individual or spouse.

(4)(a) The name, address, brief description of, and nature of association with and the amount of interest in each business in which the individual or spouse is a director, officer, owner, partner, member, or trustee, and in which

1 the individual or spouse, either individually or collectively, owns an interest
2 which exceeds ten percent of that business.

3 (b) The name, address, brief description of, and nature of association
4 with a nonprofit organization in which the individual or spouse is a director or
5 officer.

6 (5) The name, address, type, and amount of each source of income
7 received by the individual or spouse, or by any business in which the individual
8 or spouse, either individually or collectively, owns an interest which exceeds ten
9 percent of that business, which is received from any of the following:

10 (a) The state or any political subdivision as defined in Article VI of the
11 Constitution of Louisiana.

12 (b) Services performed for or in connection with a gaming interest as
13 defined in R.S. 18:1505.2(L)(3)(a).

14 (6) A certification that such individual has filed his federal and state
15 income tax returns, or has filed for an extension of time for filing such tax
16 return.

17 (7) One of the following:

18 (a) A certification that neither the individual nor any member of his
19 immediate family had a personal or financial interest in any entity, contract, or
20 business or a personal or financial relationship that in any way posed a conflict
21 of interest which affected the impartial performance of the individual's duties
22 as a member of the board or commission.

23 (b) A statement describing each conflict and any action the individual
24 took to resolve or avoid the conflict.

25 D. For the purposes of this Section, the following words shall have the
26 following meanings:

27 (1)(a) "Board or commission" shall mean:

28 (i) Each board, commission, and like entity created by law or executive
29 order that is made a part of the executive branch of state government by the
30 provisions of Title 36 of the Louisiana Revised Statutes of 1950, or that is placed

1 in an executive branch department or in the office of the governor or lieutenant
2 governor by law or executive order, or that exercises any authority or performs
3 any function of the executive branch of state government.

4 (ii) Each board, commission, and like entity created by the constitution,
5 by law, by a political subdivision, except as provided in Subparagraph (b) of this
6 Paragraph, or jointly by two or more political subdivisions as a governing
7 authority of a political subdivision of the state or of a local government.

8 (b) "Board or commission" shall not mean:

9 (i) The governing authority of a parish.

10 (ii) Any board or commission or like entity that governs a political
11 subdivision created by a single parish governing authority of a parish with a
12 population of two hundred thousand or less, or any subdistrict of such a
13 political subdivision.

14 (iii) The governing authority of a municipality.

15 (iv) Any board or commission or like entity that governs a political
16 subdivision created by a single municipal governing authority of a municipality
17 with a population of twenty-five thousand or less, or any subdistrict of such a
18 political subdivision.

19 (v) A board of directors of a private nonprofit corporation that is not
20 specifically created by law.

21 (2) "Business" shall have the same meaning as provided in R.S. 42:1124.

22 (3)(a) "Income" for a business shall mean gross income less both of the
23 following:

24 (i) Costs of goods sold.

25 (ii) Operating expenses.

26 (b) "Income" for an individual shall mean taxable income and shall not
27 include any income received pursuant to a life insurance policy.

28 (4) "Public office" shall have the same meaning as provided in R.S.
29 18:1483.

30 * * *

§1124.4. Penalties

A.(1) If a person fails to timely file a financial statement as required by R.S. 18:1495.7 or by R.S. 42:1124, 1124.2, **1124.2.1**, or 1124.3, or a person omits any information required to be included in the statement, or the board has reason to believe information included in the statement is inaccurate, the board shall notify the person of such failure, omission, or inaccuracy by sending him by certified mail a notice of delinquency immediately upon discovery of the failure, omission, or inaccuracy.

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C. Penalties shall be assessed as follows:

* * *

(3) Fifty dollars per day for statements required by R.S. 42:**1124.2.1** or 1124.3.

* * *

F. If a person who is required to disclose information required by R.S. 42:1124, 1124.2, **1124.2.1**, or 1124.3 discovers an error or inaccuracy in the information he disclosed and files an amendment to such disclosure correcting such error or inaccuracy prior to the receipt of a notice of delinquency, no penalties shall be assessed against the person, and the board shall replace the initial disclosure with the amendment thereto in the official records of the board.

* * *

§1157. Late filing fees

A.

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(4)(a)

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(ii) The late penalties for any violation of R.S. 42:1124, 1124.2, **1124.2.1**, or 1124.3 shall be as provided in R.S. 42:1124.4.

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Section 2. R.S. 42:1124.3(A) is hereby amended and reenacted to read as follows:

§1124.3. Financial disclosure; certain elected officials, voting districts of under five thousand

A. Each person holding a public office who represents a voting district having a population of fewer than five thousand ~~and each member of a state board or commission which has the authority to expend, disburse, or invest more than ten thousand but less than one million dollars~~, except any person who is required to file a financial statement by R.S. 42:1124, ~~or~~ 1124.2, **or 1124.2.1**, shall annually file a financial statement as provided in this Section.

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Section 3. R.S. 42:1124.2(G)(4) is hereby repealed in its entirety.

Section 4. The provisions of Section 3 of the Act which originated as House Bill No. 842 of this 2008 Regular Session of the Legislature shall be null, void, and of no effect.

Section 5. The provisions of the Act which originated as House Bill No. 842 of this 2008 Regular Session of the Legislature which amend and reenact R.S. 42:1124.2(A) shall be null, void, and of no effect.

Section 6. The first reports due pursuant to R.S. 42:1124.2 and 1124.2.1 as provided by this Act shall be complete for the calendar year 2008. The first reports due pursuant to R.S. 42:1124.3 as provided by this Act shall be complete for the calendar year 2009.

Section 7. The provisions of Section 1 of this Act with regard to the provisions of R.S. 42:1124.2.1 shall not require any person whose public service terminated prior to July 1, 2008, to file a financial statement in connection with such public service. However, any person holding an office or position on or after July 1, 2008, shall be required to file financial statements in connection with the holding of such office or position in accordance with the provisions of Section 1 of this Act.

Section 8.A. The provisions of this Section and of Sections 1, 3, 5, and 6 of this Act shall become effective on January 1, 2009.

B. The provisions of Sections 2 and 4 of this Act shall become effective on January 1, 2010.

1 Section 9. The provisions of this Section and of Section 7 of this Act shall
2 be effective upon signature of the governor or lapse of time for gubernatorial action.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____